



Republic of the Philippines
CENTRAL BOARD OF ASSESSMENT APPEALS
Manila

NATIONAL POWER CORPORATION,
Petitioner-Appellant,

-versus-

CBAA CASE NO. L-84
(LBAA Case No. 1-07)
Province of Ifugao

**THE LOCAL BOARD OF
ASSESSMENT APPEALS OF THE
PROVINCE OF IFUGAO,**
Appellee,

-and-

**THE PROVINCE OF IFUGAO AND
THE PROVINCIAL ASSESSOR OF
IFUGAO,**
Respondents-Appellees.

x -----/

O R D E R

On April 24, 2012, this Board rendered a Decision in the above-entitled case dismissing Petitioner-Appellant's Appeal filed on September 13, 2007. Not satisfied, Petitioner-Appellant moved for a reconsideration of said Decision.

The instant Motion for Reconsideration, dated June 22, 2012, was sent via registered mail on June 26, 2012 and eventually reached this Board on July 4, 2012.

In the said Motion, Petitioner-Appellant criticized this Board, mildly, to be sure, for labouring "in extensively discussing the perceived procedural

flaws in the institution of the instant appeal by petitioner-appellant.”
Petitioner-Appellant said that “The 24 April 2012 Decision’s lengthy discussion on the procedural aspects of the instance (*sic*) appeal failed however to resolve the main issue of the case, to wit: ***Whether or not the building (powerhouse) of the Magat River Hydro Electric Power Plant is exempt from realty tax for the period 1993 to 1996.***”

We agree with Petitioner-Appellant that Rules of Procedure should be liberally construed to the end that substantial justice may be served. Technical rules of procedure should be used to promote, not frustrate justice¹.

In a number of cases, however, the Honorable Supreme Court set the conditions when the rules of procedure may not be unduly relaxed, thus:

“The liberal construction of the Rules of Court is resorted to only to promote substantial justice, not to delay or undermine the legal processes. The Rules are designed to assure the orderly and predictable course of justice. Unduly relaxing them would be an injustice to the innocent parties who honor and obey them, and unfairly reward those who neglect or fail to follow them.”(*Boaz International Trading Corporation and F. R. Cement Corporation vs. Woodward Japan, Inc. and North Front Shipping Services, Inc.*, G.R. No. 147793, December 11, 2003.)

“Rules of procedure must be followed except only when, for persuasive reasons, they may be relaxed to relieve a litigant of an injustice commensurate with his failure to comply with the prescribed procedure. Concomitant to a liberal application of the rules of procedure should be an effort on the part of the party invoking liberality to adequately explain his failure to abide by the rules.”(*Cresenciano Duremdes vs. Agustin Duremdes*, G.R. No. 138256, November 12, 2003.)

“Rules of procedure are intended to insure the orderly administration of justice and the protection of substantive rights in judicial and extra-judicial proceedings. It is a mistake to suppose that substantive law and adjective law are contradictory to each other or, as has often been suggested, that enforcement of procedural rules should never be permitted if it will result in prejudice to the substantive rights of the litigants. This is not exactly true; the concept is much misunderstood. As a matter of fact, the policy of the courts is to give effects to both kinds of law, as complimenting each other, in the just and speedy resolution of the dispute between the parties.” (*Limpot v. Court of Appeals*, 170 SCRA 367 [1989]; *Lim Tupaz v.*

¹ See Antonio T. Donato vs. Court of Appeals, et al., G.R. No. 129638, December 8, 2003.

Court of Appeals, G.R. No. 89571, Feb. 6, 1991, 193 SCRA 597; Santos v. Court of Appeals, G.R. No. 92862, July 04, 1991, 198 SCRA 806; Sps. Ruben and Luz Galang v. Court of Appeals, G.R. No. 76221, July 29, 1991, 199 SCRA 683; cited in Herrera, Remedial Law, 2000 Ed., p. 277).

“Strict observance of the Rules indispensable to the prevention of needless delays and to the orderly and speedy dispatch of judicial business is an imperative necessity.” (*Manila RR Co. v. Attorney General, 20 Phil. 523; cited in Herrera, Remedial Law, 2000 Ed., p. 278*)

Section 226 of R.A. 7160, otherwise known as the Local Government Code of 1991 (“LGC”), provides as follows:

“SEC. 226. *Local Board of Assessment Appeals.*—Any owner or person having legal interest in the property who is not satisfied with the action of the provincial, city or municipal assessor in the assessment of his property, may **within sixty (60) days from the date of receipt of the written notice of assessment**, appeal to the Board of Assessment Appeals of the province or city by filing a petition under oath in the form prescribed for the purpose, together with copies of the tax declarations and such affidavits or documents submitted in support of the appeal.” (Emphasis supplied)

Records show that the Notice of Assessment was issued by the Office of the Provincial Assessor of Ifugao on December 27, 2002². In a letter dated May 9, 2003³ and addressed to the Governor of Ifugao, the Manager of Petitioner NPC’s Magat River Hydroelectric Power Plant (MRHPP) at Alfonso Lista, Ifugao acknowledged receipt of a copy of the Written Notice of Assessment, saying “This has reference to your notice of assessment of the Real Property Tax for structures/improvements of the Magat River Hydroelectric Plant located at Alfonso Lista, Ifugao which was received by our office for payment.” On January 26, 2007, the Local Board of Assessment Appeals of Ifugao (“LBAA”) received NPC’s Petition dated January 14, 2007.

² Records, page 30.

³ Records, page 33.

Records do not show exactly when NPC received the notice of assessment. However, even granting that the written notice of assessment was received by NPC as late as May 9, 2003, the sixty-day period within which to file an appeal with the LBAA ended on July 8, 2003. The LBAA received Petitioner-Appellant's Appeal on January 26, 2007, or more than three and one-half (3-1/2) years after the said prescriptive period expired. Premises considered, this Board has no alternative other than to dismiss the appeal of Petitioner-Appellant NPC, thereby upholding the decision of the LBAA.

Settled is the principle that the requirement regarding the perfection of appeals within the reglementary period is not only mandatory but also jurisdictional⁴.

The collection of taxes should not be left to uncertainty for an indefinite period of time. As the Honorable Supreme Court said in *Jose B.L. Reyes, et al. v. Pedro Almanzor, et al.*⁵, "Verily, taxes are the lifeblood of the government and so should be collected without unnecessary hindrance."

WHEREFORE, finding no cogent reason to disturb its Decision of April 24, 2012, this Board resolved to DENY the instant Motion for Reconsideration.

SO ORDERED.

⁴ Roman Catholic Bishop vs. Director of Lands, 34 Phil. 623 (1916).

⁵ G.R. No. L-49839-46, April 26, 1991.

Manila, Philippines, October 24, 2012.

SIGNED
OFELIA A. MARQUEZ
Chairman

SIGNED
ROBERTO D. GEOTINA
Member

SIGNED
CAMILO L. MONTENEGRO
Member